No. 16858

IN THE

United States Court of Appeals

FOR THE NINTH CIRCUIT

JAYBEE MANUFACTURING CORPORATION,

Appellant,

vs.

AJAX HARDWARE MANUFACTURING CORPORATION,

Appellee.

APPELLANT'S REPLY BRIEF.

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APPELLANT'S REPLY BRIEF.

Summary of Argument.

1. Appellant is entitled to injunctive relief restraining appellee from threatening appellant's customers with infringement suits.

2. The question of infringement is not before this Court.

3. The patent in suit is invalid by any standard.

ARGUMENT.

1. Appellant Is Entitled to Injunctive Relief Restraining Appellee From Threatening Appellant's Customers With Infringement Suits.

The District Court finally held the patent to be not infringed. Therefore, on the authority of Section 2208 of the United States Code, the Supreme Court case of *Kessler v. Eldred,* 206 U. S. 285, and *Vermont Structural Slate Co. v. Tatko Brothers Slate Co.,* 253 F. 2d 29, all discussed in appellant's opening brief, it is manifestly clear that appellant has, in the words of *Kessler v. Eldred,* the "unquestioned right" to an injunction. Appellee cited nothing in any way detracting from these authorities.

In a desperate effort to have this Court overrule that clear authority, appellee cites the New York State Court of Appeals in *Electrolux Corp. v. Val-Worth, Inc.* Of course this was not a patent case, and in any case can hardly temper the rule of *Kessler v. Eldred* for patent cases. The New York Court refused to grant an injunction to an applicant where the offensive practice for which the suit was brought, was discontinued six months prior to the institution of the suit. The analogy attempted to be drawn is clearly infirm. The reason is this: The record in this case [R. 6] shows that the complaint was filed April 7, 1959. *Just one week later* (and as a matter of fact before appellant had an opportunity to answer the complaint) appellee wrote threatening letters to two customers of appellant. Exhibits N-1 and N-2 bear the date of April 16, 1959, as clearly shown in the record [R-51 and 52]. Surely this nullifies any force or effect of the case of *Electrolux Corp. v. Val-Worth, Inc.*

Of course it is appropriate for this Court to consider equities in deciding upon the propriety of an injunction. Appellee's threats following on the heels of this suit undermines any equity in appellee's favor. What excuse did appellee have to write such letters? Was appellant unwilling or unable to answer for its customers' infringements, if any? Was appellant inconveniently located in a district far removed from appellee's domicile? Did appellee honestly intend to start suit against appellant's customers? The record speaks clearly on this issue, and points unmistakably to the issuance of the injunction not only as a matter of right but as a matter of equity.

2. The Question of Infringement Is Not Before This Court.

A party who has not appealed has no right to urge errors; he has acquiesced in the judgment. Appellee may urge any matter in the record in *support* of the judgment. He may not *attack* it. In *Alexander v. Cosden Pipe Line Co.,* 290 U. S. 484, Mr. Justice Van Devanter stated at page 487:

> ". . . The defendant alone petitioned for a review here. In this situation the plaintiff is not entitled to be heard in opposition to the parts of the decision . . . which were adverse to it, . . . but only in *support* of the parts which were in its favor. As to the former, it has acquiesced and become concluded by not seasonably petitioning for review." (Emphasis added.)

An attack on the lower court's holding of non-infringement is obviously not necessary to *support* the holding of validity. Hence, appellee cannot be heard on the issue

of infringement. In any case there is no record to support any such argument. Not even the accused device is in the record.

In *Guiberson Corp. v. Equipment Engineers,* and the other cases cited by appellee, the lower court held the patent valid but not infringed, and the *plaintiff,* not the defendant, appealed. The defendant was entitled to *support* the judgment by arguments *based on the record* that the patent was invalid. An argument by appellee here that the patent was infringed doesn't support the judgment of validity of the lower court. It has nothing to do with it.

Appellee had its day in court on the question of infringement. An appeal is not a trial *de novo.*

3. The Patent in Suit Is Invalid by Any Standard.

Appellee's argument that "the prior art relied upon by appellant . . . is actually less pertinent than that cited by the Examiner" is unconvincing.

The statement that "testimony of witnesses" supports the District Court's finding of validity goes far beyond the present record. The innuendo is furthermore false and misleading.

Appellee's argument regarding appellant's alleged imitation of the patented design is not only unsupported by the record, but an open disregard of the final judgment of the court below.

The recent decision of this Court of Appeals in *Patriarca Mfg., Inc. et al. v. Sosnick et al.,* 278 F. 2d 389, is certainly appropriate in this appeal. The following statement of Circuit Judge Merrill is pertinent (p. 391):

> "One may well agree that the patented showcase presents a more pleasing appearance and one more

calculated to tempt the customer. One may well conclude that, artistically and from a merchandising point of view, the patented showcase marks an advance in matters of design. Not every advance, however, is the result of creative invention. More often it can be credited to the normal progress which results when discriminating taste and judgments are applied to that which has already been discovered or created. . . .

"Appellants have happily combined matters of prior art into a pleasing assemblage. They may be credited with good taste and a sound sense of proportion, but not with creative invention."

Conclusion.

It is earnestly submitted that the judgment of the District Court should be reversed on the issue of validity and that in any event the injunction sought should be granted.

Respectfully submitted,

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